IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION

UNITED STATES OF AMERICA v. JBJ SERVICES, LLC (03)	NO. 3:17-CR-124-M

FACTUAL RESUME

In support of JBJ Services, LLC's (hereinafter, JBJ) plea of guilty to the offense in Count One of the superseding indictment, JBJ, the defendant, Dimitri Dube, the defendant's attorney, and the United States of America (the government) stipulate and agree to the following:

ELEMENTS OF THE OFFENSE

To prove the offense alleged in Count One of the superseding indictment, charging a violation of 18 U.S.C. § 371, that is, conspiracy to violate the Travel Act, the government must prove each of the following elements beyond a reasonable doubt:[1]

First. That the defendant and at least one other person made an agreement to commit the crime of using interstate facilities to promote, manage, establish, carry on, and facilitate unlawful activity, as charged in the superseding indictment;

Second. That the defendant knew the unlawful purpose of the agreement and joined in it willfully, that is, with the intent to further the unlawful purpose; and

Third. That one of the conspirators during the existence of the conspiracy knowingly committed at least one of the overt acts described in the

[1] Fifth Circuit Pattern Jury Instruction 2.15A (5th Cir. 2015).

superseding indictment in order to accomplish some object or purpose of the conspiracy.

The elements of using interstate facilities to promote, manage, establish, carry on, and facilitate unlawful activity, a violation of 18 U.S.C. § 1952(a)(3), are as follows:[2]

First. That the defendant traveled in interstate or foreign commerce or that he used the mail or any facility in interstate or foreign commerce;

Second. That the defendant did so with the specific intent to promote, manage, establish, or carry on unlawful activity; and

Third. That subsequent to the act of travel, use of the mail, or use of any facility in interstate or foreign commerce, the defendant did knowingly and willfully promote, manage, establish, or carry on such unlawful activity.

"Unlawful activity" means any business enterprise involving prostitution offenses in violation of the laws of the State of Texas.[3]

STIPULATED FACTS

1. JBJ admits that beginning no later than on or about January 30, 2014, and continuing through in or about February 2017, in the Dallas Division of the Northern District of Texas, and elsewhere, JBJ, along with and through its codefendants, did knowingly and willfully conspire and agree together, and with others, to commit the following offense against the United States: To use and cause to be used facilities in interstate commerce with the intent to promote, manage, establish, carry on and facilitate the promotion, management, establishment, and carrying on of an unlawful activity, that is, a business enterprise involving prostitution offenses in violation of the laws of the

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[2] *See* Fifth Circuit Pattern Jury Instruction 2.74 (5th Cir. 2015); 18 U.S.C. § 1952(a)(3).
[3] *See* 18 U.S.C. § 1952(b).

State of Texas, and thereafter performed and attempted to perform an act to promote, manage, establish, and carry on, and to facilitate the promotion, management, establishment and carrying on of such unlawful activity, in violation of 18 U.S.C. § 1952(a)(3).

2. It was part of the conspiracy that JBJ and its coconspirators used JBJ to promote, manage, carry on, and facilitate the promotion, management, and carrying on of a prostitution business enterprise in the Northern District of Texas, and elsewhere.

3. Specifically, during the conspiracy, JBJ and its coconspirators engaged in a continuous course of criminal activity as they managed, promoted, established, carried on, and facilitated a business known as "Sakura," located at 7141 Envoy Court, Dallas, Texas 75247, and a business known as "The Palace," located at 2707 N. Stemmons, Suite 150, Dallas, Texas 75207, both of which were fronts for business enterprises involved in prostitution offenses in violation of the laws of the State of Texas.

4. The State of Texas criminalizes the following as prostitution offenses:

a. Texas Penal Code § 43.02 criminalizes a person knowingly, in return for receipt of a fee, offering to engage, agreeing to engage, or engaging in sexual conduct, or soliciting another in a public place to engage with the actor in sexual conduct for hire.

b. Texas Penal Code § 43.03 criminalizes a person, other than someone acting as a prostitute receiving compensation for personally rendered prostitution services, knowingly receiving money or other property pursuant to an agreement to participate in the proceeds of prostitution, or soliciting another to engage in sexual conduct with another person for compensation.

c. Texas Penal Code § 43.04 criminalizes a person knowingly owning, investing in, financing, controlling, supervising, or managing a prostitution enterprise that uses two or more prostitutes.

5. It was part of the conspiracy that JBJ used bank account no. xxxxxxxx0894 with Bank of America, which JBJ agrees is a financial institution as defined by 18 U.S.C. § 1956(c)(6) that is engaged in, and the activities of which affect, interstate and foreign commerce. JBJ used this bank account to receive proceeds of the Travel Act conspiracy described herein and to make payments in furtherance of the Travel Act conspiracy described herein.

6. The interstate network of automated teller machines ("ATMs") is a facility in interstate commerce. Specifically, ATM Network, the real identity known to the government and JBJ, is an interstate management network of ATMs. Financial transactions accomplished through ATMs processing over ATM Network travel from the particular ATM machine, wherever located, through electronic channels to switches located in Arizona or Delaware. ATMs, including those that operate on the ATM Network, allow bank-account holders to withdraw money throughout the country in interstate commerce, regardless of where a particular accountholder's bank is located.

7. It was part of the conspiracy that members of the conspiracy obtained certificates of occupancy, set up utility accounts, arranged for and encouraged women to

work at, leased the space to operate The Palace, and purchased the building to operate Sakura.

8. It was part of the conspiracy that JBJ and other members of the conspiracy profited from women providing prostitution services at Sakura and The Palace.

9. It was part of the conspiracy that members of the conspiracy used and caused to be used several facilities in interstate commerce in furtherance of the conspiracy, including the Internet, Backpage.com, ATMs that facilitated transactions on ATM Network, phone numbers from accounts provided by a national phone company, and email accounts.

10. In furtherance of the conspiracy, on or about January 30, 2014, Wittman and Song caused the formation of JBJ Services, LLC, a Texas limited liability company, with the mailing address in Rockwall, Texas.

11. In furtherance of the conspiracy, in or about February 2014, Wittman, on behalf of JBJ, activated a telephone account for Sakura at 7141 Envoy Court, Suite 100, Dallas, Texas.

12. In furtherance of the conspiracy, on or about August 19, 2014, a member of the conspiracy caused to be posted an advertisement for Sakura on the Internet, in the "escort" section of Backpage.com, that stated something along the lines of: "If you're looking for a top quality Asian relaxation, you found it!!!"

13. On or about August 19, 2014, C.M., a member of the conspiracy, engaged in acts at Sakura that violated the laws of the State of Texas prohibiting prostitution.

Specifically, C.M. offered to have sex with an undercover police officer in exchange for $140.

14. In furtherance of the conspiracy, on or about September 25, 2014, Wittman opened up a business account with Bank of America on behalf of JBJ.

15. In furtherance of the conspiracy, on or about November 10, 2014, Wittman entered into a lease agreement with other coconspirators to allow Sakura to operate out of 7141 Envoy Court, Suite 100, in Dallas, Texas. While Wittman allowed other coconspirators to operate the Sakura business at this time, JBJ continued to receive money as a result of the illegal prostitution business enterprise being run out of 7141 Envoy Court.

16. In furtherance of the conspiracy, on or about January 4, 2015, Wittman and his coconspirators signed a document to allow Sakura to lease a back room at 7141 Envoy Court in Dallas, Texas.

17. In furtherance of the conspiracy, on or about June 29, 2015, Wittman, in his capacity as President of JBJ, signed a lease to rent 2707 N. Stemmons Freeway, Suite 150, Dallas, Texas 75207.

18. In furtherance of the conspiracy, On or about June 29, 2015, Wittman wrote a check using the JBJ's Bank of America bank account in the amount of $19,611.84 to the lessor of 2707 N. Stemmons Freeway, Suite 150, Dallas, Texas 75207, for six months of rent and a security deposit for the property. Wittman and his coconspirators intended to use the property to establish a business enterprise engaged in prostitution in violation of Texas law.

19. On or about August 28, 2015, G.F., a member of the conspiracy, engaged in acts at Sakura that violated the laws of the State of Texas prohibiting prostitution. Specifically, G.F. agreed to have sex with an undercover police officer in exchange for money.

20. In furtherance of the conspiracy, On or about June 19, 2015, a member of the conspiracy caused an advertisement for Sakura to be posted on the Internet. The advertisement includes photographs of several women in swimsuits and/or lingerie, states "let us make you stress free" with a winky emoticon, and includes phone number 214-905-9000.

21. In furtherance of the conspiracy, on or about September 30, 2015, Wittman, on behalf of JBJ, signed a lease that facilitated having an ATM inside of The Palace, which used ATM Network.

22. On or about October 1, 2015, a member of the conspiracy contacted another member of the conspiracy in the New York area to discuss advertisements on Backpage.com the promote The Palace.

23. On or about October 12, 2015, J.Y. a member of the conspiracy, engaged in acts at The Palace that violated the laws of the State of Texas prohibiting prostitution. Specifically, J.Y. agreed to have sex with an undercover police officer in exchange for money.

24. In furtherance of the conspiracy, on or about October 1, 2015, Wittman wrote Check No. 233 on JBJ Services, LLC's Bank of America bank account to pay for the phone account providing service to Sakura.

25. On or about November 3, 2015, coconspirator Song engaged in acts at The Palace that violated the laws of the State of Texas prohibiting prostitution. Specifically, Song agreed to have sex with an undercover police officer in exchange for money.

26. On or about November 3, 2015, S.K. a member of the conspiracy, engaged in acts at The Palace that violated the criminal laws of the State of Texas prohibiting prostitution. Specifically, S.K. agreed to have sex with an undercover police officer in exchange for money.

27. In furtherance of the conspiracy, on or about December 16, 2015, Wittman wrote Check No. 275 on JBJ Services LLC's Bank of America bank account to J.S. to pay for the building from which Sakura operated.

28. In furtherance of the conspiracy, on or about December 23, 2015, Wittman used his phone to text message another individual information about Sakura to help that individual convince employees of Sakura to promote their business.

29. In furtherance of the conspiracy, on or about December 30, 2015, Wittman wrote Check No. 279 on JBJ's Bank of America bank account to pay for the phone account providing service to Sakura.

30. In furtherance of the conspiracy, on or about January 19, 2016, Wittman wrote Check No. 289 for approximately $415.75 on JBJ Services LLC's Bank of America bank account to the City of Dallas for "Sakura."

31. On or about January 26, 2016, J.J., a member of the conspiracy, engaged in acts at The Palace that violated the laws of the State of Texas prohibiting prostitution.

Specifically, J.J. agreed to have sex with an undercover police officer in exchange for money.

32. On or about January 26, 2016, Y.K., a member of the conspiracy, engaged in acts at The Palace that violated the laws of the State of Texas prohibiting prostitution. Specifically, Y.K. agreed to have sex with an undercover police officer in exchange for money.

33. In furtherance of the conspiracy, on or about February 4, 2016, Wittman wrote Check No. 299 on JBJ's Bank of America bank account to J.S. to pay for the building from which Sakura operated.

34. In furtherance of the conspiracy, on or about February 15, 2016, a member of the conspiracy caused to be posted an advertisement for Sakura on the Internet, namely, on Webpage.com. The advertisement portrays scantily clad and partially nude women in sexual poses and promises "ALL NEW HOT SEXY BEAUTIFUL INTERNATIONAL BEAUTIES Waiting For You HOT and VERY FRIENDLY YOU WONT BE DISSAPPOINTED," notes that it is open 24 hours a day, and advertises phone number 214-905-9000.

35. In furtherance of the conspiracy, on or about February 22, 2016, Wittman wrote Check No. 309 on JBJ's Bank of America bank account to J.S. to pay for the building from which Sakura operated.

36. In furtherance of the conspiracy, on or about March 2, 2016, Wittman wrote Check No. 314 on JBJ Services LLC's Bank of America bank account to pay for the phone account providing service to Sakura.

37. In furtherance of the conspiracy, on or about March 7, 2016, Wittman wrote Check No. 316 on JBJ's Bank of America bank account to pay for the phone account providing service to The Palace.

38. On or about March 17, 2016, K.P. a member of the conspiracy, engaged in acts at The Palace that violated the laws of the State of Texas prohibiting prostitution. Specifically, K.P. agreed to have sex with an undercover police officer in exchange for money.

39. In furtherance of the conspiracy, in or about June or July 2016, the exact date being unknown, a coconspirator used her phone to recruit a woman to travel to Dallas, Texas, to work as a prostitute at Sakura.

40. On or about July 7, 2016, D.W. a member of the conspiracy, engaged in acts at Sakura that violated the laws of the State of Texas prohibiting prostitution. Specifically, D.W. agreed to have sex with an undercover police officer in exchange for money.

41. On or about July 7, 2016, E.R., a member of the conspiracy, engaged in acts at Sakura that violated the criminal laws of the State of Texas prohibiting prostitution. Specifically, E.R. agreed to have sex with an undercover police officer in exchange for money.

42. On or about August 14, 2016, a customer at Sakura used the ATM machine in Sakura, which caused to be made a financial transaction over ATM Network.

43. Through both the lease for the ATM at The Palace and the lease for the ATM at Sakura, JBJ received money for each withdrawal from the ATMs.

44. JBJ agrees that it knew the unlawful purpose of its agreement with its conspirators to use interstate facilities to engage in a prostitution business enterprise in violation of Texas law in violation of the Travel Act that that it joined in the agreement willfully, that is, with the intent to further the unlawful purpose.

45. JBJ also agrees that it used the facilities in interstate and foreign commerce described herein with the specific intent to promote, manage, establish, or carry on a prostitution business enterprise in violation of Texas law and the federal Travel Act.

46. The defendant agrees that the defendant committed all the essential elements of the offense(s). This factual resume is not intended to be a complete accounting of all the facts and events related to the offense charged in this case. The limited purpose of this statement of facts is to demonstrate that a factual basis exists to support the defendant's guilty plea to Count One of the superseding indictment.

AGREED TO AND STIPULATED on this 11 day of August, 2017.

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